

MA 002	
Department of Public Health and Human Services	Section: TABLE OF STANDARDS
MEDICAL ASSISTANCE	Subject: Medically Needy

Supersedes: MA 002 (08/01/01); ABD Bulletin MA-86 (06/12/07)

► **References:** 42 CFR 435.811; ARM 37.82.101, .1106; General Appropriations Act of 2007 (DP11607, May 2007, Montana Legislature)

GENERAL RULE-- **Effective July 1, 2001**, use the following standards to determine income and resource eligibility for ABD medically needy applicants and recipients:

RESOURCES	Individual	\$ 2,000
	Couple	\$ 3,000

MEDICALLY NEEDY INCOME LEVELS (MNIL)	Individual	\$525
	Couple	\$525

► **MEDICALLY
NEEDY INCOME
DEDUCTION** Effective August 1, 2007, an additional \$50 will be deducted from a needy filing unit's total countable net income when calculating the incurment amount.

This deduction does not apply to institutional eligibility, in which there only a determination of categorically needy versus medically needy is done in Step 1 budgeting. This deduction does not apply to liability toward cost of care in Step 2 budgeting of institutional eligibility.

Example: Joe and Mabel, a married couple, apply for Medicaid. They have income from Social Security totaling \$1020.00 per month. Their incurment calculation would be as follows:

Gross unearned income:	\$1020.00
General income disregard	- 20.00
Net countable income	\$1000.00
MNIL for two	- 525.00
subtotal	\$ 475.00
Medically need deduction	- 50.00
Incurment	\$ 425.00

**INCURMENT
OBLIGATION** Medically needy clients can establish medically needy coverage by:

		MA 002
Section: TABLE OF STANDARDS	Subject: Medically Needy	

1. using incurred medical expenses to meet their incurment obligation (MA 703-1);
2. choosing the cash option and paying the incurment obligation amount to the Department (MA 702-1); or
3. using a combination of incurred medical expenses and the cash option.

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